

1 somebody puts in an application for a mortgage that  
 2 puts a hit on their credit report and their credit  
 3 report then -- or I guess the credit reporting  
 4 company then sells the fact that their credit's been  
 5 pulled by a mortgage company to other mortgage  
 6 companies for the purpose of marketing.

7 Does Allied First use search leads?

8 A. They did for mailers.

9 Q. Is Consumer Insight the only vendor that  
 10 Allied First used for live transfer leads?

11 A. No. We had Lending Tree, Endeavor,  
 12 auto-Nurture and Assurant.

13 Q. After Endeavor you mentioned a company.  
 14 Could you spell that out?

15 A. Assurant. It is A-s-s-u-r-a-n-t.

16 Q. Okay. Was there any difference in the  
 17 scope of work between these vendors? That is did,  
 18 for example, Lending Tree send a million leads and  
 19 did Consumer Insight send only a hundred or is their  
 20 scope of the work evenly distributed?

21 MS. THOMAS: I'm going to object to  
 22 form, but you can answer.

23 BY THE WITNESS:

24 A. That wasn't something we were aware of  
 25 on the corporate side so it would have been up to

1 Q. What was the scope of the TCPA compliant  
 2 questions that you asked these vendors?

3 A. A validation that if they're making  
 4 calls that they're receiving opt-ins with opt-in  
 5 languages.

6 Q. Was the same Endeavor questionnaire sent  
 7 to every vendor?

8 A. To the four I listed, yes, but to  
 9 Consumer Insight, no, they were an unapproved  
 10 vendor.

11 Q. Okay. When you say that Consumer  
 12 Insight was not an approved vendor, why was Allied  
 13 First accepting transfer leads from Consumer  
 14 Insight?

15 A. That team manager did not follow  
 16 compliance.

17 Q. Who was the team manager that didn't  
 18 follow the compliance process?

19 A. Craig Mattson.

20 Q. Is Craig Mattson still with Allied  
 21 First?

22 A. He is not.

23 Q. What was the purpose of his termination?

24 A. He was not terminated.

25 MS. THOMAS: Object to form. Vague.

1 the individual team managers.

2 BY MR. PERRONG:

3 Q. So how does Allied First onboard a  
 4 vendor?

5 A. They would go through at the time myself  
 6 for compliance, for vendor management oversight.

7 Q. And when you say "they," would that be  
 8 the individual team managers?

9 A. Correct.

10 Q. How many approximately loan officers are  
 11 under a team manager?

12 A. It ranged at the time from three to 50.

13 Q. How many loan officers at the time did  
 14 Allied First have?

15 A. I believe around 200.

16 Q. Were these loan officers paid on  
 17 commission or were they paid a salary?

18 A. I believe it was both. A salary and  
 19 then commission.

20 Q. Once you obtained a vendor proposal from  
 21 the team managers, what criteria would you use to  
 22 evaluate the vendors?

23 A. We used a software called Endeavor to  
 24 document it, asking questions what their scope of  
 25 work was and if they're a TCPA compliant.

1 BY MR. PERRONG:

2 Q. What was the purpose of his departing  
 3 from the company?

4 MS. THOMAS: Object to the form, but go  
 5 ahead.

6 BY THE WITNESS:

7 A. I am uncertain. He left voluntarily.

8 BY MR. PERRONG:

9 Q. Okay. Is the Endeavor questionnaire  
 10 something you have access to?

11 A. Yes.

12 MR. PERRONG: Carmen, we'll follow-up  
 13 with getting that. I think it's our position that  
 14 that should be produced.

15 MS. THOMAS: We can follow-up about  
 16 that, but he testified he didn't do it for Consumer  
 17 Insight.

18 MR. PERRONG: Understood.

19 Q. Other than the in vendor process, are  
 20 there any other background checks or due diligence  
 21 that Consumer Insight performs on its vendors -- or  
 22 I'm sorry, that Allied First performs on its  
 23 vendors?

24 A. It would have been myself and the  
 25 documentation provided for due diligence ranging

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1 vendor to do that?  
 2 A. Not to my knowledge, no.  
 3 Q. You say that at the time it would have  
 4 been to contact you. Who is -- I guess who are  
 5 employees directed to contact now?  
 6 A. They have a reported email. It's  
 7 confidential.  
 8 Q. Who does that email go to?  
 9 A. Compliance.  
 10 Q. Would that include you?  
 11 A. Right now it's the BSA department.  
 12 Q. BSA --  
 13 A. Bank Secrecy Act, anti-money laundering  
 14 department. I do not receive them directly.  
 15 Q. To your knowledge, in terms of either  
 16 back when your -- when you were the contact for  
 17 compliance or now under the reported email, have any  
 18 reports been made about illegal telemarketing  
 19 conduct?  
 20 A. Not to my knowledge, no.  
 21 Q. Do you undertake any continuous review  
 22 process of vendors monitoring -- of vendor's  
 23 marketing efforts?  
 24 A. During that time period, yes. It would  
 25 be a review of the material.

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1 initial on-boarding with Consumer Insight; is that  
 2 correct?  
 3 A. That is correct.  
 4 Q. Does Allied First permit these vendors  
 5 to use sub-vendors; that is subcontract out their  
 6 work?  
 7 A. Only if it's those initial on-boarding.  
 8 Q. Does Allied First follow any industry  
 9 standards or best practices for selecting and using  
 10 vendors?  
 11 MS. THOMAS: Object to form.  
 12 But go ahead.  
 13 BY THE WITNESS:  
 14 A. Yes. We use the FFIEC manual, IT  
 15 manual.  
 16 Q. What is FFIEC?  
 17 A. I've always called it FFIEC. I believe  
 18 it's a federal --  
 19 Q. I'm sure I can find out.  
 20 A. My apologies.  
 21 Q. That's fine.  
 22 Did team leads provide parameters  
 23 on the types of individuals that they wanted their  
 24 vendors to target for opt-in leads?  
 25 A. I believe so, yes.

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1 Q. Could you talk me through what materials  
 2 you would review?  
 3 A. Primarily back then it was mailers. So  
 4 I was reviewing mailing.  
 5 Q. In terms of vendors that were obtaining  
 6 these leads and doing the live transfer leads, did  
 7 you monitor or audit performance in any way?  
 8 A. I did not, no.  
 9 Q. Would the team managers monitor and  
 10 audit their performance?  
 11 A. Yes.  
 12 Q. Would they also monitor for compliance  
 13 with applicable regulations?  
 14 A. Not to my knowledge, no.  
 15 Q. That would be you, correct?  
 16 A. It would have been, yes.  
 17 Q. To the best of your recollection, did  
 18 you ever conduct periodic audits of vendors'  
 19 compliance with the TCPA?  
 20 A. I did not, no.  
 21 Q. Did you review language that vendors  
 22 would use during calls for compliance with  
 23 applicable laws and regulations?  
 24 A. Only at initial on-boarding.  
 25 Q. And to be clear, you did not do that

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1 Q. Could you give me examples of some of  
 2 those parameters?  
 3 A. I believe it would have been by state,  
 4 LTV and glassary finance state.  
 5 Q. Does Allied First have an internal do  
 6 not call list?  
 7 A. Yes.  
 8 Q. Did it -- does it send its internal do  
 9 not call list to vendors?  
 10 A. To the team managers who then are  
 11 required to send it to vendors.  
 12 Q. How often are they required to send that  
 13 list to vendors?  
 14 A. It was monthly.  
 15 Q. To your knowledge, did the team manager  
 16 at issue here ever send Allied First internal do not  
 17 call list to Consumer Insight?  
 18 A. I am not aware of any times they sent it  
 19 out to the vendors.  
 20 MR. PERRONG: We've been at this for  
 21 close to an hour. I'd like to take a break for five  
 22 minutes, organize some of my thoughts for the next  
 23 line of questioning and we can be back.  
 24 (There was an intermission  
 25 from 9:42 to 9:48.)

1 recognize that program?  
 2 A. I do not, no.  
 3 Q. Do you know what the Velocity program  
 4 looks like?  
 5 A. No, I do not.  
 6 Q. Staying on this document for a moment,  
 7 would -- looking at this email, it looks like it  
 8 came from Craig, so the screen shot presumably was  
 9 taken by him.  
 10 We've established that you don't  
 11 really have any knowledge as to what this program  
 12 is. Do you know who would have typed this  
 13 information into this program?  
 14 A. It would have been the loan officer.  
 15 Q. To the extent you know, when a vendor  
 16 transfer a call to a loan officer, does the loan  
 17 officer need to obtain the customer's information  
 18 again or is there some way that the customer's  
 19 information is also transferred to the loan officer  
 20 at the same time that the call was transferred?  
 21 A. That I am unaware of.  
 22 Q. What disciplinary action, if any, did  
 23 Allied First take upon learning that one of its team  
 24 managers hired an unapproved vendor?  
 25 A. I am unaware of any.

1 to investigate?  
 2 A. It would be -- it would go through HR  
 3 first.  
 4 Q. And if HR had questions, they would  
 5 reach out to you?  
 6 A. Correct.  
 7 Q. To the extent you know, does Velocity  
 8 have the capability for vendors to send information  
 9 into the Velocity system upon call transfer?  
 10 A. I am not aware of any.  
 11 Q. Are you aware of any vendors that have  
 12 access to Encompass?  
 13 A. Back then, I think only Velocity did. I  
 14 believe Velocity was owned by Encompass.  
 15 Q. Okay. At the time of the calls, so  
 16 thinking back to 2022, did you hear at all about the  
 17 quality of the leads that were being purchased from  
 18 Consumer Insight?  
 19 A. No.  
 20 Q. What internal audits or controls, if  
 21 any, would have caught that Federal Savings Bank  
 22 (sic) was reimbursing one of its team leaders for an  
 23 unapproved vendor?  
 24 A. Allied First Bank, we didn't do any  
 25 audits on invoicing.

1 Q. I want to also provide a document that's  
 2 been marked as Bates Allied 672 and 673. We'll mark  
 3 this as Exhibit C.  
 4 (Whereupon, Skeffington  
 5 Exhibit C marked.)  
 6 BY MR. PERRONG:  
 7 Q. Just take a moment to familiarize  
 8 yourself with the email and then I have a few  
 9 questions about it.  
 10 A. Okay.  
 11 Q. It looks like this is some kind of  
 12 bizarre call on the Icon transfer phone number  
 13 asking to speak to somebody about an employee.  
 14 Let's start by saying, do you know  
 15 what's referenced when it says Icon transfer phone?  
 16 A. I am not, no.  
 17 Q. Do you know of an employee named Joanna  
 18 Ferguson?  
 19 A. Not off the top of my head, no.  
 20 Q. Did you have actual knowledge of this  
 21 email at or around the time it was sent?  
 22 A. No.  
 23 Q. In your role as chief compliance officer  
 24 at the time, would this be something that would be  
 25 within your job duties, for lack of a better term,

1 Q. Are you familiar with a company called  
 2 Iconic Results?  
 3 A. Yes.  
 4 Q. How do you know Iconic Results?  
 5 A. Initially through this complaint and  
 6 litigation.  
 7 Q. What is your understanding of what  
 8 Iconic Results's role in this litigation is?  
 9 A. To receive phone call transfers.  
 10 Q. When you say "to receive phone call  
 11 transfers," what does that mean and how does that  
 12 fit in with what Consumer Insight did?  
 13 A. From what I know, it would have been  
 14 from Consumer Insight if a loan officer wasn't  
 15 available.  
 16 Q. So if a loan officer was not available,  
 17 Consumer Insight would transfer the call to Iconic  
 18 Results?  
 19 A. I believe so, yes.  
 20 Q. And what was Iconic Results supposed to  
 21 do with that information?  
 22 A. I believe it was to take a message for  
 23 the loan officers; for the loan officers to call  
 24 back.  
 25 Q. Do any other vendors now or back then

1 MS. THOMAS: Object to form.  
 2 Go ahead.  
 3 BY THE WITNESS:  
 4 A. I did not, no.  
 5 BY MR. PERRONG:  
 6 Q. Were those expectations that team  
 7 managers were supposed to communicate do not call  
 8 requests to you clearly communicated to them?  
 9 A. Yes.  
 10 Q. In what form were they communicated?  
 11 A. Via training.  
 12 Q. The PowerPoints we mentioned?  
 13 A. Yes.  
 14 Q. I want to bring up a document I think  
 15 we're Exhibit E.  
 16 (Whereupon, Skeffington  
 17 Exhibit E marked.)  
 18 BY MR. PERRONG:  
 19 Q. And this is Allied First Bates 677.  
 20 Take a second to familiarize  
 21 yourself with this document and I've got a few  
 22 questions.  
 23 A. Okay.  
 24 Q. I want you to go to Page 6 of the PDF.  
 25 It should have Allied First 682 at the bottom of the

1 page.  
 2 A. Okay.  
 3 Q. So this looks like an email from Trish  
 4 Watson to Rick at Consumer Insight and also copying  
 5 Eric and Craig at Allied First.  
 6 There's a return to here that says  
 7 that, "The borrower asked why we were calling him  
 8 and what we wanted. The buyer said that he was not  
 9 interested because he wasn't even looking at  
 10 anything. This call was returned by the loan  
 11 officer."  
 12 Let me ask you, based on your  
 13 understanding of Allied First's do not call policy  
 14 at the time, would it have been proper for a loan  
 15 officer to return a call when the borrower said that  
 16 he wasn't interested?  
 17 A. It would not have been proper, no.  
 18 Q. Would that be considered a do not call  
 19 request under Allied First's policy at the time?  
 20 A. Yes.  
 21 Q. That do not call request was not  
 22 communicated to you, correct?  
 23 A. Correct.  
 24 Q. I'm done with the document.  
 25 Can you describe for me the formal

1 process that was supposed to occur for handling do  
 2 not call complaints?  
 3 A. We had a do not contact at Allied First  
 4 email as well as my email that they were supposed to  
 5 send those to.  
 6 Q. Was that process other than in the  
 7 PowerPoints, was that documented in any other  
 8 documents?  
 9 A. Email with the PowerPoint attached to  
 10 the team managers.  
 11 Q. Was there an informal process for  
 12 handling these complaints?  
 13 A. Could you clarify?  
 14 Q. Was there sort of an understanding that  
 15 these complaints come in often and, you know, you  
 16 don't have to send them to us unless it really  
 17 becomes a problem, is there any sort of  
 18 understanding of that type?  
 19 A. No.  
 20 Q. If a complaint came in, what would be  
 21 the process that was outlined in this policy to  
 22 determine what vendor was involved and what remedial  
 23 action to take?  
 24 A. We didn't capture the vendor. We  
 25 captured the team manager.

1 Q. So you would then go back to the team  
 2 manager?  
 3 A. If it was a complaint with the  
 4 regulatory body, yes. Otherwise it would belong to  
 5 the do not call list.  
 6 Q. And that was the end of it if it wasn't  
 7 a complaint through a regulatory body, correct?  
 8 A. Correct.  
 9 Q. You didn't undertake to ascertain  
 10 whether or not vendors, which were the subject of  
 11 complaints -- I should say complaints to  
 12 non-regulatory bodies, whether or not those vendors  
 13 had prior express written consent?  
 14 MS. THOMAS: Object to form.  
 15 BY MR. PERRONG:  
 16 Q. I'm sorry, I didn't get your answer.  
 17 A. Correct.  
 18 Q. If a complaint came in from a regulatory  
 19 body, would you have obtained the prior express  
 20 written consent from the vendor in that case?  
 21 A. Yes.  
 22 Q. But you've never received such  
 23 complaints from regulatory bodies, correct?  
 24 A. Not that I recall, no.  
 25 Q. Is that still Allied First's policy or I

1 suppose Servbank's policy?  
 2 A. It is, yes.  
 3 Q. Has Allied First or Servbank implemented  
 4 additional policies or procedures relating to the  
 5 TCPA or to do not call requests as a result of this  
 6 litigation?  
 7 A. As a result of this litigation, yes.  
 8 Q. What has Allied First done?  
 9 A. We enhanced the end vendor/vendor  
 10 management questionnaire.  
 11 Q. How would that have prevented the calls  
 12 that Mr. Katz received in this case given that the  
 13 vendor wasn't approved?  
 14 A. I don't believe it would have in that  
 15 case since it wasn't approved.  
 16 Q. Did Allied First engage in any  
 17 disciplinary action for -- as a result of hiring  
 18 this unapproved vendor?  
 19 A. Not that I'm aware of, no.  
 20 Q. Do you know if Allied First has ever  
 21 paid money to an individual who has complained about  
 22 receiving calls that they did not want?  
 23 A. I believe so, yes.  
 24 Q. Under what circumstances were those?  
 25 A. I am not certain what the circumstances

1 were.  
 2 Q. But Allied First has previously paid  
 3 money to individuals who made do not call requests  
 4 and alleged violations of the Telephone Consumer  
 5 Protection Act, correct?  
 6 A. Yes.  
 7 Q. Approximately how many occasions was  
 8 that?  
 9 A. From what I recall, two.  
 10 Q. Do you recall anything about the vendors  
 11 that were involved in those two complaints?  
 12 A. The first one was before my time so I am  
 13 not aware of the vendor.  
 14 Q. Okay.  
 15 A. The second one was Endeavor leads.  
 16 Q. And what was Endeavor leads alleged to  
 17 have done?  
 18 A. Called without retaining opt-in.  
 19 Q. So Endeavor leads was a live transfer  
 20 vendor?  
 21 A. Yes.  
 22 Q. Do you recall what the category of the  
 23 other vendor that paid money was?  
 24 A. I do not.  
 25 Q. Did Allied First terminate Endeavor

1 leads as a result of that?  
 2 A. Yes.  
 3 Q. Was the team manager reprimanded or  
 4 otherwise disciplined for hiring Endeavor leads?  
 5 A. I am unaware of any reprimands for that.  
 6 Q. To the extent you know, when a call  
 7 comes in from a vendor that's live transferring  
 8 calls, what would an agent see on their screen?  
 9 A. I am not certain.  
 10 Q. Do you know if customer -- Consumer  
 11 Insight had access to any APIs to send data to  
 12 Allied First?  
 13 A. I am not certain.  
 14 Q. Did Allied First get access -- does  
 15 rather -- and I'm only talking about vendors that do  
 16 live transfer calls. Does Allied First get any  
 17 access to any of these vendors's internal system  
 18 databases that they have access to; for example, to  
 19 pull recordings, pull call logs, things of that  
 20 nature?  
 21 A. The team manager would have. I would  
 22 not have.  
 23 Q. Okay. Did team managers ever perform  
 24 any audits on the vendors that they hired?  
 25 A. They would have done it without my

1 knowledge.  
 2 Q. If any of those audits involve  
 3 compliance, I take it that you would have been  
 4 notified of that?  
 5 A. Yes.  
 6 Q. We mentioned that Allied First had  
 7 previously paid an individual as a result of this  
 8 live transfer conduct.  
 9 How did, to the extent you recall,  
 10 how did you first learn of this situation?  
 11 A. Through the CEO.  
 12 Q. So the team lead did not provide the  
 13 information about the do not contact issue as they  
 14 were required to do so in their policies?  
 15 A. I believe so, that's correct.  
 16 Q. Do you know if Allied First has made an  
 17 insurance claim in this matter?  
 18 A. Not that I'm aware of.  
 19 Q. Is Allied First self-insured as a bank?  
 20 A. No.  
 21 Q. Has Allied First ever performed any  
 22 investigations or studies into compliance with the  
 23 TCPA at an organizational level?  
 24 A. No.  
 25 Q. Has Allied First ever hired an outside